

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Jordan Transformer

Enterprise Minnesota

Jordan Transformer Finding Success with Lean

Client Profile:

Jordan Transformer, located in Jordan, Minnesota re-manufactures substation transformers as well as mobile transformers, furnace transformers, and voltage regulators. The company purchases substation transformers that are failed, gassing, or electrically good and converts the transformers to circular core and coil design with all new core steel and new disc windings. Jordan Transformer employs 53 people.

Situation:

Jordan Transformer re-manufactures substation transformers, and competes directly with companies that manufacture new products. Typically new transformers are more expensive and take more time to make, but as the economy has declined, Jordan Transformer's competitors started dropping lead times and prices because of decreased customer demand. In order to remain competitive, Jordan Transformer's leadership knew that they needed to implement new strategies and contacted Enterprise Minnesota, a NIST MEP network affiliate, for help.

Solution:

Enterprise Minnesota worked with Jordan Transformer to identify targeted projects to implement Lean into the company's facility. Jordan Transformer utilized Lean Enterprise tools and tactics to standardize work, improve employee skills, increase capacity, reduce costs, reduce lead times and further improve the company's competitive position. Measurable goals included increased staff productivity and reduced lead times. With assistance from Enterprise Minnesota, Jordan Transformers was introduced to Value Stream Mapping, kaizen events, and 5S (Sort, Set in Order, Shine, Standardize, Sustain). As a result of Lean implementation, the company identified wastes in their processes and eliminated non-value-added activities.

Results:

- * Increased/retained sales of \$2 million.
- * Invested more than \$50,000 in equipment and workforce training.
- * Created new jobs.

Testimonial:

"Investing in [Lean] is great because it speeds up lead time, reduces our cost, and we make more profit. It will help us weather the competitive pressure that we're going to be seeing in the marketplace. It also will make us poised to capture more customers and better profit margins when the market improves."

Dave Steingart, CEO & President

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